



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation on May 25, 2004

NOTICE OF ACTION TAKEN – DOCKET OST-2004-17411

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Applicant: AEROMODELO, S.A. de C.V.

Date Filed: March 25, 2004

Relief requested: Exemption from 49 USC section 41301 to permit the applicant to conduct passenger charter operations between Mexico and the United States, and other passenger charters in accordance with 14 CFR Part 212, using small equipment (see below).

Applicant representative: James E. Ramsey, 816-474-0777 DOT analyst: Allen F. Brown, 202-366-2405
Responsive pleadings: None

DISPOSITION

Action: Approved.

Action date: May 25, 2004

Effective dates of authority granted: May 25, 2004, through May 25, 2005.

Basis for approval: United States-Mexico Air Transport Services Agreement of August 15, 1960, as amended and extended (Agreement).

Except to the extent exempted/waived, this authority is subject to the terms, conditions, and limitations indicated: Standard exemption conditions.

Special conditions/Remarks: We found that Aeromodelo, S.A. de C.V., is operationally and financially qualified to conduct its proposed operations and is properly licensed by its homeland. Also, the FAA advised us that it knows of no reason to withhold this authority.

Although Mexican nationals control Aeromodelo, some of its stock is owned by non-Mexican citizens. In that connection, Aeromodelo requested that the Department waive, to the extent necessary to grant the authority requested, its standard requirement that a foreign air carrier be substantially owned and effectively controlled by citizens of the licensing homeland. We concluded that such a waiver was warranted, finding nothing in the ownership and control of the applicant that would be inimical to U.S. aviation policy or interests.

In the conduct of the operations the carrier may only use aircraft designed to have a maximum passenger capacity of not more than 60 seats and a maximum payload capacity of not more than 18,000 pounds (small equipment). The above grant includes authority to conduct Third and Fourth Freedom charter operations. While we have subjected, consistent with the provisions of the Agreement, Mexican carriers conducting charter operations with large aircraft to prior approval or submission of notices for their Third and Fourth Freedom charters, we determined that any such requirement was not necessary on public interest grounds in this case, since the carrier will be conducting these operations solely with small aircraft. Other passenger charters to be conducted under this authority, however, are subject to prior approval under 14 CFR Part 212.

**Action taken by: Paul L. Gretch, Director
Office of International Aviation**

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) the applicant was qualified to perform its proposed operations; (3) grant of the authority was consistent with the public interest; and (4) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted/deferred/dismissed, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

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